

February 2, 2024

Written Testimony Budget Hearing On Environmental Conservation

Dear Senator Liz Krueger, Assembly Member Helene Weinstein, and members of the New York State Legislature,

Thank you for the opportunity to present testimony regarding the 2024-2025 Stage Budget. My name is Keanu Arpels-Josiah, I'm an 18-year-old climate justice organizer with Fridays For Future NYC. I serve as a Policy Co-Lead for Fridays For Future NYC and was one of the lead organizers of the September 17th March To End Fossil Fuels, which garnered a 75,000-person turnout in New York City calling for the end of the era of fossil fuels.

Fridays For Future is an international, intersectional youth-led movement advocating for climate justice, which began in August 2018 after 15-year-old Greta Thunberg sat in front of the Swedish parliament every school day for three weeks to protest against the lack of action on the climate crisis. Since then, millions of people have participated in Fridays For Future actions around the world, and hundreds of chapters have started. In New York City in 2019, Fridays For Future NYC organizers led a city-wide school strike where upwards of 200,000 people took to the streets demanding action on climate. The 2019 Climate Strike also coincided with the passage of our state's critical climate law, the Climate Leadership & Community Protection Act (CLCPA). Since 2019, we've continued to mobilize students and youth in the city to implore those in power to take action on the climate crisis and finally stand up to the fossil fuel industry, through global strike dates, weekly actions outside City Hall, and most recently, the March To End Fossil Fuels. We've continued to advocate for specific policies from city and state politics to federal and international spaces, and, at the state level, for implementation at last of our state's pledges under the CLCPA.

Critical to the pledges in the CLCPA is the commitment to 100% zero-emission electricity by 2040 and its legally binding emissions reduction standards to get New York completely off of fossil fuels by 2050. This matches calls from science, which has shown time and time again that drastic system-changing action must be taken in an unprecedented amount of time to match what is needed for the survival of our species, for the survival of New Yorkers. It also matches thoroughly the perspective of New Yorkers, youth, and communities around the state.

This broad cross-societal support for bold, meaningful climate action was shown yet again with the historic turnout on September 17th, a mobilization that remains the largest march in the U.S. since the spread of the COVID-19 Virus in early 2020. And, it continues to grow as we face effect after effect of our continuing to rise climate crisis causing emissions.

In 2023 alone, we've seen catastrophic effects of the climate crisis in New York: deadly flash floods, shutting down subways and trains statewide, record-breaking fatal blizzards spewing 36 inches of snow near Palenville, and the horrific days our sky turned orange due to climate-crisis caused wildfire smoke. Meanwhile, both the production of fossil fuels and the profits of the fossil fuel industry continue to rise. In 2022, the profits of the fossil fuel industry jumped from \$1.5 trillion in 2021 to \$4 trillion. That's more than 17 times more than the size of our entire state budget.

Last year, we saw significant steps forward on climate in New York with the passage of key priorities like the Build Public Renewables Act and portions of the All Electric Building Act. Now it's time to take that forward, tell our communities we care about their survival, we're serious about climate justice, and do what is needed in this budget. We need substantive action on climate justice, and against fossil fuels, in the FY 2025 state budget and in what is passed this legislative session. One question remains unanswered: will our state officials stand with us?

New York State has the opportunity and responsibility to be a leader; if we fail to take true action, as we outline below, this session, irreversible, inconceivable, and irreparable harm will continue to fall upon our communities.

Studies have shown that we must spend at least \$10 to \$15 billion statewide per year to address the impacts of the climate crisis on our communities. In the FY 2024 budget, New York took a crucial step forward with the monumental Build Public Renewables Act; however, our investments in climate continue to fall short and emissions continue to rise. The state must take the action necessary in the FY 2025 Budget and in this session to fulfill the mandates described in the Climate Leadership & Community Protection Act (CLCPA) and those necessary to protect our communities.

This *must include* at least \$1 billion for climate justice in the budget via the People's Climate Justice Budget and the accompanying legislative initiative, the Climate, Jobs, and Justice Package (CJJP). The People's Climate Justice Budget is a \$1 billion spending plan that outlines critical climate and environmental justice programs that New York is required to fund via the newly created Climate Action Fund in 2024 as a down payment on the more than \$10 billion a year the state estimates is necessary to address the crisis at scale. To ensure that the state moves on track to achieve the progress required under the CLCPA and required for our communities' survival into the future, we're calling on the Legislature and the Governor to:

• Invest at least \$1 billion of "shovel-ready" appropriations via the Climate Action Fund (CAF) in 2024 by passing the **People's Climate Justice Budget**.

And to pass the **Climate**, **Jobs**, **and Justice** legislative package by:

- Including the full **NY HEAT Act** (So2016/A04592) in the FY2025 budget and all proposals.
- Ensure polluters pay their fair share by including the **Climate Change Superfund** (S02129A/A03351A) in the budget; and

• Incorporating the **Just Energy Transition Act** (So2935C/Ao4866B) in the budget as well.

The full NY HEAT Act, a bill with significant support statewide and partial inclusion in the Governor's Executive Budget, is critical to our climate mandate for a state like ours. The inclusion of the full bill would also importantly cap energy bills at 6% of a household income. The Climate Change Superfund Act would make the state's polluting fossil fuel corporations pay, raising \$3 billion a year for community resiliency programs—something long overdue. The Just Energy Transition Act, in line with what thousands of young people marched for in September, will help New York transition the state's fossil fuels to renewable energy and bring an end to the era of fossil fuels in New York State.

These proposals are the priority of our entire NY Renews statewide coalition consisting of XYZ this session. In addition to this, we must see the inclusion of the following in FY 2025 and in the work of the legislature this session:

• The **Stop Climate Polluter Handouts Act** (So3389/Ao7949A) eliminates over \$330 of taxpayer-funded handouts that prop up the most egregious parts of the fossil fuel industry. Fossil fuels are responsible for 92% of our GHG emissions in the US; we need to stop funding the destruction of our very own communities.

We also are strong advocates of the following legislation and hope to see them reflected in the final budget:

- The entire **Fix The MTA Package**, including bills like the MTA Freeze Fares, Fund Frequency & Free Bus Act (S04024/A04122), would fill the operations deficit for the MTA, improve service, increase accountability, and treat public transit like the critical climate solution and public good it is for all New Yorkers.
- The **Invest In Our New York Package**, which would be the single largest measure taken to close New York's inequality gap, is critical to climate justice and achieving the investments we need in our communities, and must be reflected in the budget.

Budgets are moral documents. They outline what we value as a state, as a government, and as a legislature. As representatives of the people and youth of New York, you must advocate for and ensure that the FY 2025 budget and the outcomes from this legislative session contain all the aforementioned critical steps toward action on the climate crisis and the end of the era of fossil fuels. We need to see these priorities reflected in FY 2025. We need to say it's finally time to stop subsidizing the destruction of our future, the destruction of our communities, and to invest instead in a liveable New York.

Please see our full testimonials of support for the priorities we've outlined here below, which is drawn from our memos of support of the bills, and the work of NY Renews and the Stop Climate Polluter Handouts Act Coalition.

NY HEAT Act

This legislation (S.2016-A/A.4592-A) is critical to obviating methane emissions that exacerbate the climate crisis in a way that centers environmental justice. Developed with the input and support of many communities, youth, labor unions, and businesses, the NY HEAT Act will give the Public Service Commission (PSC) the authority and direction to align gas utility regulations and system planning with the Climate Act's emission reduction and climate justice mandates. In New York, about two-thirds of gas is delivered by gas utilities and used in buildings, making it one of the three greatest sector emitters of greenhouse gasses in the state. New York's Public Service Law includes several amendments that conflict with NY's Climate Act.

NY HEAT Act sets clear guidance to achieve the CLCPA mandates and ensure workers are protected during the transition. Stopping multi-billion dollar annual investments in gas infrastructure will free up funds to support the transition to neighborhood decarbonization projects and make affordable electricity and heat a reality.

As part of NY Renews' Climate, Jobs & Justice Package, this bill provides state regulation and oversight of gas utilities to realize the climate justice and emission reduction mandates established by the CLCPA. This bill resolves conflicts between Public Service Law and the CLCPA, ensures that the greenhouse gas emissions and climate justice mandates—alongside reliability and safety—are core planning criteria at the Public Service Commission, and removes subsidies for new gas hookups to stop incentivizing gas expansion. It also enables the neighborhood-scale projects we'll need to meet the mandates of the CLCPA, transitions gas workers by reforming the obligation to serve gas, and protects energy affordability by managing the transition and codifying a no-more-than 6 percent energy burden.

Climate Change Superfund Act

As part of NY Renews' Climate, Jobs & Justice Package and the BPHA agenda, the Climate Change Superfund Act (So2129A/Ao3351A) makes the state's worst polluters, major oil companies, pay for the harm they've caused. Modeled on the successful existing superfund, the bill assesses and collects a fee representing a company's share of the cost of damages that the state's ten worst climate polluters caused through harmful climate pollution. NY's Climate Act sets out aggressive, science-based, solutions to the climate crisis, but the law does not establish an ongoing, robust funding stream to implement these goals—and those costs will be enormous.

A 2022 federal report found that disaster events cost New York State between \$50 to 100 billion dollars and up to \$20 billion in 2021 alone. Had the fossil fuel industry alerted us to the threat the crisis posed or world governments acted sooner, of course, the climate crisis could have been averted. Instead, for the better part of the late 20th century, oil companies did all they could to undermine the science and torpedo solutions.

The Climate Change Superfund Act establishes a revenue stream to address the state's growing climate costs. Like the state's existing Superfund program, which charges toxic polluters, the legislation is based on the rule that the entities responsible for pollution should be financially liable for the resulting harm. Under the Act, the most polluting major fossil fuel companies

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would be assessed—based on the percentage of the company's greenhouse gas emissions during the period 2000-2018—\$30 billion over ten years to New York State as compensation for a portion of the costs incurred by the state and its localities in dealing with the climate change crisis.

If enacted, this first-in-the-nation plan would also be designed to ensure that the assessments paid under the Act would not be passed on to the public, but instead, be a cost borne by the companies.

The People's Climate Justice Fund, Climate Action Fund Appropriations

The People's Climate Justice Budget is a \$1 billion spending plan developed by and for New Yorkers. It outlines critical climate and environmental justice programs that New York must fund in 2024 as a downpayment on the more than \$10 billion a year the state estimates is necessary to address the crisis at scale. With the creation of the Climate Action Fund (CAF) in 2023, New York has a historic opportunity to send billions to communities across the state in 2024.

These are projects that people can see in their community this year: This list of "shovel-ready" projects was compiled by the NY Renews coalition members and contains urgently needed projects in every part of the state. The People's Climate Justice Budget would kickstart a pollution-free, resilient climate future built by workers with good union jobs, ensuring a healthy, livable state for generations to come. It would launch and expand key clean energy and climate mitigation and adaptation projects statewide, many of which are already underway.

By including the People's Climate Justice Budget, New York can start to address the climate crisis at scale by updating our energy grid, shoring up our coastal regions, making our homes safer, lowering our energy bills, and improving roads and public transportation vulnerable to rising seas and worsening storms.

Stop Climate Polluter Handouts Act

While greenhouse gas emissions from the fossil fuel industry warm the planet and pollute communities, oil companies reap enormous profits – all while collecting financial support from government subsidies. New York State provides oil and gas companies with over \$1.6 billion in tax handouts every year, distributed in the form of tax breaks, credits, subsidies, and refunds that support all stages of the oil and gas industry, from fuel production to transportation to storage. In light of the fossil-fuel-caused climate crisis threatening our communities and with New York State facing a multi-billion dollar budget gap this year, continuing to provide these subsidies is unjustifiable, and a betrayal of New Yorkers' future.

It's time we stop using taxpayer money to destroy the world. The Stop Climate Polluter Handouts Act (So2935C/Ao4866B) eliminates the taxpayer-funded handouts that prop up the most egregious parts of the fossil fuel industry, raising over \$330 million each year for New York State.

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The Act makes polluters pay their fair share of taxes, and it stops New York's practice of incentivizing pollution and profiting off of the destruction of our climate. The fossil fuel industry made record-breaking profits last year, with several of its biggest players (ExxonMobil, Shell, BP) more than doubling their profits. Some tax handouts that the Act eliminates include incentives for research and development within the fossil fuel industry (\$89 million); the use of highly polluting airline fuel (\$117 million), commercial shipping "bunker" fuel (\$11 million), and liquid petroleum gasses (\$65 million); the operation of fracked gas infrastructure (\$4 million); and more. The Act also limits fossil fuel-related business participation in certain economic development programs. Importantly, the bill maintains the tax breaks that benefit low- and mid-income earners and small farmers.

This Act takes critical action to protect the climate, while generating over \$330 million in revenue that will help close the budget gap and address far more important public priorities. The Act aligns tax policy and state spending with the nation-leading climate goals set by the 2019 Climate Leadership & Community Protection Act, which requires a 40% reduction in greenhouse gas emissions by 2030, an 85% reduction by 2050, a 70% clean energy electricity sector by 2030, and a 100% clean energy sector by 2040.

With over 75,000 people attending the March to End Fossil Fuels in September, New Yorkers, and especially New York's youth, have shown that continued reliance on fossil fuels is unacceptable. Considering this, actively assisting fossil fuel companies with government money is intolerable. The Stop Polluter Handouts Act is an essential step forward in the fight against devastating climate change and the fight for the future of New York's youth.

Just Energy Transition Act

The Just Energy Transition Act (So2935C/Ao4866B) provides a plan to guide the replacement and redevelopment of at least 4 gigawatts of New York State's fossil fuel facilities and sites by 2030. It lays out a clear, mandatory direction for moving forward with the transition off of fossil fuels which honors the CLCPA. This bill requires the state to study and operationalize step by step how to get large and inefficient polluting power plants on a short timeline (1 year upon passage). Transitioning these facilities to renewable energy as soon as possible will hold climate, economic, and public health benefits, especially for disadvantaged communities (DAC).

The State has already committed to replacing and redeveloping its fossil fuel facilities. New York's Climate Leadership and Community Protection Act further mandates an emissions-free electricity system by 2040. This bill would enable a responsible process to achieve this commitment by prioritizing a just transition that honors the priorities of frontline communities. Enabling transparent public proceedings and clear implementation guidelines ensures that we can operationalize a much-needed transition while accounting for energy democracy and system reliability

All in all, these priorities must be reflected in the FY 2025 state budget.

Thank you, Keanu Arpels-Josiah Fridays For Future NYC